FACTS ON FILE

WORLD NEWS DIGEST WITH INDEX

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WORLD AFFAIRS

Laos

USSR Replies to West's Note. The Soviet Union informed Britain Apr. 1 that it was prepared to issue a joint appeal for a cease-fire in Laos and to join with other nations in an international conference on Laos.

The Soviet statement came in an aide-memoire delivered in reply to a Mar. 23 British message that had accepted Soviet demands for a conference on Laos and had proposed that the 2 nations jointly appeal for a truce in the Laotian civil war.

The USSR's aide-memoire accepted most Western proposals made in the British message. It failed, however, to give a direct answer to Western conditions that a Laotian cease-fire be in effect and verified before the convening of the conference.

Major points of the Soviet note:

- The USSR's position was that "Laos should be a neutral, unified, independent and peaceful state, in conformity with the [1954] Geneva accords" on Indochina. The USSR was pleased that Britain "has consented now to the convocation of an international conference to settle the Laotian problem with the participation of member countries of the Geneva accords . . . [and] some other states." It proposed the talks be held in Cambodia in April.
- The "Soviet government favors the proposal that the 2 co-chairmen of the Geneva conference [Britain & the USSR] should issue an appeal for a cease-fire in Laos." It agreed that the International Control Commission for Laos should be convened and report on the truce. However, the combatants would have to discuss truce terms, and this and the resumption of the control commission "must in no way impede" the convening of a conference on Laos.
- "The question of the Laotian government is . . . an internal affair of the Laotians themselves." The USSR recognized Prince Souvanna Phouma as the legitimate Laotian premier, but it would "favor negotiations among various political trends in Laos on measures to strengthen . . . national unity." If Laotian factions failed to end their differences, the international conference could assist them in reaching agreement.
- The rightist Boun Oum government supported by the U.S. was in reality "a group of plotters relying on outside assistance" in order to carry on a rebellion aimed at "doing away with Laos' neutrality." The "threats of interference in the affairs of Laos by the SEATO military bloc" and the "saber-rattling" by "certain powers" may "seriously aggravate" the Laotian problem.

U.S. Hopeful on Accord. In a statement issued in Palm Beach, Fla. Apr. 1, Pres. Kennedy welcomed the Soviet reply and expressed hope that it would lead to peace in Laos.

Mr. Kennedy said: "Although the Soviet reply contains certain observations with which we cannot agree, it offers hope that a way can be found to establish a neutral and independent Laos through negotiations. The first need is to bring the present fighting in Laos to an end; we think that this can be achieved if all interested governments . . . use their influence."

Kennedy Administration officials told Washington newsmen Apr. 2, however, that the President would insist that a Laos cease-fire be in operation and verified before he would agree to U.S. participation in the proposed Laos conference.

(Pres. Kennedy had conferred with Soviet Foreign Min. Gromyko at the White House Mar. 27 on the Laos crisis. Both issued statements after their meeting supporting a negotiated settlement and formation of a neutral Laos government.)

The Earl of Home, British foreign secretary, said Apr. 3 that the Soviet reply was "favorable" but the "mechanics" of a cease-fire and Laos conference needed "more thought."

The Laotian government's willingness to meet with "any Laotian leader" to discuss a cease-fire and formation of a coalition regime was announced Apr. 4 by Deputy Premier Phoumi Nosavan. Gen. Phoumi declared that Laos welcomed the "agreement in principle" reached by Britain and the USSR because its aim was "the same as that sought by the Laotian government—the cessation of combat." He said the Boun Oum government was ready to order a cease-fire as soon as Britain and the USSR issued their peace appeal. Information Min. Bouavan Norasing had declared Apr. 2 that Laos would accept a truce and renounce U.S. military aid as soon as the USSR ended arms aid to the rebels.

Fighting Continues. The Laotian civil war continued despite the East-West negotiations. Both the Boun Oum government and Pathet Lao rebels sent parachutists into action Apr. 4-5 80 miles north of Vientiane.

300 Pathet Lao paratroops were reported to have been dropped by Soviet transport planes Apr. 4 south of Muong Kassy on the highway linking Vientiane and Luang Prabang. The leftist paratroops were dropped to cut off a force of government troops advancing northward toward Muong Kassy. 500 Laotian army paratroops were dropped behind the Pathet Lao troops the next day in an attempt to cut them off from the rebel-held city and section of the highway.

In the only other major fighting reported from Laos, Pathet Lao forces launched an offensive Mar. 31 southward against north-central Laos. They captured Tha Thom Mar. 31 and beseiged Kam Keut Apr. 1. Tha Thom controlled the only road southward out of the rebel-held Plaine des Jarres in northern Laos. The Tha Thom attack, against a government force estimated at 1,200 men, reportedly was supported by paratroops and by artillery directed by North Vietnamese advisers.

U.S. Military Moves. It was reported from Washington Mar. 23 that Pres. Kennedy had ordered an immediate increase in U.S. military aid for Laos and the redeployment of U.S. fleet and air units to points near the battle zone. 7th Fleet units including at least 3 aircraft carriers and a 1,400-man Marine force were said to have been ordered into waters off Indochina.

A statement issued Mar. 23 by Vice Pres. Johnson with the specific authorization of Pres. Kennedy warned that "the United States, while it is going to be reasonable and prudent in all of its moves, is not going to permit an independent nation to be gobbled up by an armed minority supported from the outside."

It was reported from Vientiane Mar. 24 that 16 troop-carrying helicopters had been sent to Udorn, Thailand, where a temporary base had been set up by U.S. Marine helicopter experts to prepare the craft for use in Laos. They were to be serviced in Udorn, near the Laotian border, but were to be flown by civilians employed by Air America, a subsidiary of the Nationalist Chinese Civil Air Transport Co. 4 U.S. helicopters already had been sent to Laos. The craft were used for the first time Apr. 5 to drop Laotian paratroops near Muong Kassy.

The State Department announced Mar. 25 that a U.S. Air Force C-47 with 8 men aboard had been missing since Mar. 23 on a flight from Vien-

Week in Headlines

USSR agreed to British proposal of a joint appeal for cease-fire in Laos and for Soviet participation in conference on Laos.

U.S. called on Cuba to end links to communism, accused Castro regime of dictatorship.

U.S. controversy arose over ultra-conservative John Birch Society and its leader's accusations against ex-Presidents and other officials.

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tiane to Saigon, South Vietnam. It reported Mar. 27 that the plane had been shot down by rebel ground fire while making a survey of leftist positions in the Plaine des Jarres.

(USIS officer Francis P. Corrigan, 35, of Hawaii was killed Mar. 31 in the crash of a light plane in northeastern Laos.)

SEATO Warning Issued. Member states of the South East Asian Treaty Organization, meeting in Bangkok, Thailand Mar. 27-29, agreed to take joint action in Laos if the civil war there required it. But they rejected any immediate SEATO intervention in Laos.

A communiqué issued Mar. 29 by the SEATO Ministerial Council said:

- SEATO "noted with grave concern the continued offensive by rebel elements in Laos who are continuing to be supplied and assisted by Communist powers in . . . disregard of the Geneva accord."
- It desired a "united, independent and sovereign Laos . . . not subordinate to any nation or group of nations." It approved the attainment of this goal through "the present efforts" for a cease-fire and negotiations.
- "If those efforts fail . . . and there continues to be an active military attempt to obtain control of Laos, members of SEATO are prepared, within the terms of the treaty, to take whatever action may be appropriate. . . ."

The ministerial meeting was attended by U.S. State Secy. Rusk, Prime Mins. Menzies of Australia and Holyoake of New Zealand, and Foreign Mins. Lord Home of Britain, Couve de Murville of France, Manzur Qadir of Pakistan, Felixberto Serrano of the Philippines and Thanat Khoman of Thailand.

The final communiqué produced by the meeting represented an agreed position far short of the warning of military intervention in Laos reportedly sought by the U.S. A strong statement to this effect, requested Mar. 27 by Rusk, was opposed Mar. 28 by Britain and France lest it endanger chances for a peaceful settlement of the crisis. New Zealand and Australia favored awaiting the Soviet reply to the Mar. 23 British note on Laos before taking action. The U.S. demand was supported by Thailand and the Philippines.

The Council session was preceded by a Bangkok meeting Mar. 22-24 of SEATO military commanders, who were said to have agreed on plans that would be needed for SEATO military intervention in Laos.

The Kennedy Administration was reported Mar. 29 to have made clear in a secret diplomatic message to the Soviet government its determination to defend Laos, by armed intervention if necessary.

The Laotian government expressed gratitude Mar. 30 for SEATO's "will to assist Laos in case of absolute necessity." A statement issued by Information Min. Bouavan Norasing declared, however, that Laos' current military position did not warrant SEATO intervention.

Communist Chinese Foreign Min. Chen Yi said at a Jakarta news conference Apr. 2 that his government would send troops to Laos if requested to do so by ex-Premier Souvanna Phouma's regime to meet intervention by SEATO. He said "China is not taking part in the Laos crisis." The North Vietnamese government warned Apr. 4 that it would not tolerate SEATO intervention in Laos. [See p. 109B1]

A-Ban Negotiations

Geneva Talks Resumed. The U.S.-British-Soviet negotiations on a treaty to ban nuclear weapons tests were reconvened in Geneva Mar. 21 after a 3½-month recess.

The talks, underway since Oct. 31, 1958, had been recessed at U.S. request Dec. 5, 1960 to permit a review of policy on the nuclear test question by the Kennedy Administration.

Representing the 3 powers as the conference met for its 274th session were chief negotiators Arthur H. Dean of the U.S., David Ormsby-Gore of Britain and Semyon K. Tsarapkin of the Soviet Union.

USSR Demands Joint Executive. In an address reopening the conference Mar. 21, Tsarapkin, chairman for the day, withdrew the USSR's previous agreement to name a single administrator for a proposed test-ban control commission. Tsarapkin instead demanded that the proposed control commission be run by a 3-member executive chosen to represent the West, Communists and neutralists.

Tsarapkin added what the Mar. 21 meeting's communiqué described as a "serious warning" of the possible effect on the talks of continued French nuclear tests. He told newsmen later that reports of planned French nuclear tests seemed to indicate "an artificial division of labor under which the United States and Britain stop testing while France continues to test" and "then pass[es] on the results to her allies."

West Offers Concessions. The concessions prepared by the U.S. & Britain during the recess were outlined to the conference by Dean Mar. 21 immediately after Tsarapkin spoke.

The major Western concessions:

- A 3-year moratorium on small underground nuclear tests during which a seismic research program would be carried out to perfect test detection methods. The moratorium would begin on the signing of the treaty to ban all other types of tests. The West previously had demanded that the seismic research be carried out within 24 months and that the moratorium on underground tests be limited to 27 months.
- Acceptance of Soviet demands for assurances that the nuclear devices detonated for seismic research were not used to further weapons development. Soviet scientists would be permitted to inspect all devices used and all stages of the detonations, and would be given all test data. The USSR would be asked to give similar inspection rights of the West.
- Agreement to Soviet demands for a ban on high-altitude nuclear tests on the basis of recommendations by the 1959 Geneva scientific conference for the use of earth and solar satellites to detect such tests.
- Joint inspection of A-blasts for peaceful purposes was proposed to insure they were not being used for clandestine military purposes.
- Reduction of the number of control posts on Soviet territory from 21 to 19 and on U.S. territory from 17 to 16. One post would be situated in Britain and 13 others in other parts of the Commonwealth and in British dependencies. The West would require a minimum quota of 20 annual on-site inspections on the territory of each of the 3 nuclear powers. On-site inspections would be carried out to check suspicious seismic readings.
- Acceptance of Soviet-Western parity for the control commission, to consist of 11 states rather than the 7 previously agreed upon. 4 would be drawn from the West, 4 from the Soviet bloc and 3 from uncommitted states. The West would accept Soviet requests that the commission's budget require unanimous approval by the 3 original nuclear powers.

Dean, referring to the West's acceptance of Soviet inspection of A-devices used for seismic research, said: "Pres. Kennedy has stated that he is prepared to seek the necessary Congressional action" to amend U.S. laws forbidding such inspection.

The U.S. and Britain began a detailed explanation of their proposed concessions Mar. 22 and continued them, virtually without comment from Tsarapkin, until the 280th session Mar. 30. Dean said at the Mar. 27 meeting that the Soviet-proposed 3-member control commission executive could be used to prevent inspection of a suspicious seismic event on the territory of one of the nuclear powers and was unacceptable to the West. Ormsby-Gore told the Mar. 30 session that the West's presentation had been completed and that it was up to the USSR to reply specifically to the "substantial" concessions.

Tsarapkin welcomed some of the West's concessions Apr. 4 but said that Soviet scientists still were studying the proposals and that no formal reply would be made until their work was complete. [See Vol. XX, p. 465F3]

Congo

Katanga Routs Rebels. The Katanga provincial government announced Mar. 31 that its troops had retaken Manono, capital of the separatist Luluaba State proclaimed in northern Katanga by Jason Sendwe.

A mixed force of Katanga troops and white mercenaries, among them many South Africans, was reported to have attacked Manono the previous day. It occupied the city after a brief fight with Sendwe's supporters and a force of leftist troops sent into the

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area in January by the Gizenga government. UN officials in Léopoldville reported that no casualties had occurred in Manono, but Katanga reported that 7 of Gizenga's soldiers were killed before the rebel force fled northward toward Kivu Province. 200 Nigerian UN troops were in the city but took no action.

(The N.Y. Times reported Apr. 2 from Léopoldville that Pres. Tshombe's Katanga forces numbered 5,000 to 7,000 men and were considered to be the only Congolese soldiers still disciplined and combat-ready. The Katanga army was commanded by Col. Jean Marie Crevecoeur and was led by Katangans and 150 Belgian officers and NCOs. The Times reported that the Katanga army was supported by a "foreign legion" of 3,000 to 4,000 whites, mainly Rhodesians and South Africans, who served in all-white and mixed units.)

UN Buildup in Katanga. 500 Gurkha troops of the Indian UN Force contingent were flown to the Kamina base area Apr. 1 to reinforce UN troops to cope with the threat of renewed fighting in northern Katanga. Nearly 1,000 of the Gurkhas, the first of the 4,700-man Indian contingent to arrive in the Congo, were moved to the Kamina base by Apr. 3.

Katanga Pres. Tshombe charged Apr. 1 that the arrival of the Indian troops was an "act of war" against his government. Tshombe's regime opposed the presence of Indian troops because, it asserted, India had supported the dissident Gizenga government. Katanga warned Apr. 2 that it would invoke the Congo confederal agreement for "common action" against the UN.

Mobs of crudely-armed Katangans attacked Swedish UN troops guarding the Elisabethville airport Apr. 4 after Tshombe had ordered a campaign of popular resistance and sabotage to drive the UN from Katanga. Tshombe made the appeal in a speech to a crowd of 10,000 Congolese after the Swedish troops had disarmed and detained a Belgian-led Katanga unit sent to wrest control of the airport from the UN. Other UN posts in Elisabethville were threatened by Congolese mobs, but Katanga troops prevented bloodshed. The 12 Swedish soldiers guarding the airport were replaced Apr. 5 by 150 Irish troops flown from Léopoldville.

Gen. Sean McKeown, UN Force commander, met with Tshombe in Elisabethville Apr. 5 and won his agreement to rescind the anti-UN campaign.

Secy. Gen. Hammarskjöld told the UN General Assembly Apr. 5 that the entire Indian contingent would be sent to Kamina. (The remainder of the Indian force was en route to the Congo by sea.) Hammarskjöld charged that the Katanga problem had been aggravated by "irresponsible elements," primarily the "foreign [Belgian] element," "slight in number" but "important" militarily.

Assembly Authorizes Funds. The UN General Assembly voted by 51-10 (22 abstentions) Apr. 3 to approve a 3-week extension of Hammarskjöld's authority to pay for UN military operations in the Congo. The Assembly adopted an Indian resolution empowering Hammarskjöld to incur UN Force financial commitments until Apr. 21 at the rate of up to $8 million monthly. The resolution was designed to give the Assembly's Administrative & Budgetary Committee time to consider a permanent solution of the Congo fund shortage. It was voted despite shouted interruptions by Soviet delegate Aleksei A. Roschin that the vote violated the UN Charter.

Hammarskjöld's authority to commit funds for UN Congo military purposes had expired Mar. 31.

A U.S. pledge of a "sizable" contribution to UN Congo costs above its assessment was presented to the Assembly committee Mar. 30 by delegate Philip M. Klutznick. The U.S. offered the unspecified contribution to demonstrate its "faith" that the UN "shall survive to serve . . . mankind." The U.S. warned that it would not remain inactive in the face of a Soviet attempt to destroy the UN's effectiveness. It proposed that a special scale of assessments be adopted to pay the costs of coping with threats to peace such as in the Congo.

French delegate André Ganem confirmed Apr. 4 that France had not taken steps to pay its share of 1960 Congo costs and would not commit itself to pay its 1961 Congo assessment. U.S. Amb.-to-UN Stevenson, warning the committee Mar. 30 that the UN faced bankruptcy within "weeks," had denounced as "shocking" France's refusal to pay. Britain paid in full Mar. 30 its $3,768,002 share of 1960 Congo costs.

Congolese delegate Jean N'sele told the committee Mar 29 that increased UN aid was a "matter of life & death" for hundreds of thousands of Congolese facing starvation. He warned that the Congo would be forced to "knock at other doors if the UN can't help." UN officials reported Mar. 30 that only $16,881,225 had been contributed to the $100 million Congo Economic Development Fund requested in 1959. $10 million of the amount was contributed by the U.S.

U.S. Bans Congo Arms. The State Department announced Mar. 30 that the shipment of arms or military equipment to the Congo by U.S.-chartered air or shipping lines had been halted. Commerce Department regulations were amended to bar such shipments, regardless of their origin, without specific UN authorization. The restriction was said to have been applied particularly to the Seven Seas Airlines, a Delaware firm identified Feb. 17 by U.S. Amb.-to-UN Stevenson as the shipper of 3 French jet training planes to Katanga Province.

Kennedy-Nkrumah Talks. A closer identity of U.S. and Ghanaian views on the problems of the Congo and African nationalism was indicated by Presidents Kennedy and Nkrumah Mar. 8 after White House talks.

Nkrumah, who had come to the U.S. to present his Congo plan to the UN General Assembly, was the first foreign chief of state to visit Washington since Pres. Kennedy took office. The 2 leaders announced in a joint communiqué their agreement on "genuine support, both moral and material, of United Nations efforts to bring peace to the people of the Congo." They later held a joint press conference at which Pres. Kennedy cited the U.S.' revolutionary past as a basis for its support of African liberation movements. Nkrumah said that Ghana could never become "a satellite of any country." He warned against accusing African leaders "of being Communist on the basis of anti-colonialism." "I think anti-colonialism was invented by the United States," he declared. [See p. 109F3]

NATIONAL AFFAIRS

The President

Florida Vacation. Pres. Kennedy spent the Easter holidays Mar. 30-Apr. 4 with his family at his father's oceanside home in Palm Beach, Fla. He returned to Washington Apr. 4.

Presidential Press Secy. Pierre Salinger said Mar. 31 that the Secret Service was conducting "a routine" investigation of a reported plot by pro-Castro Cubans to kidnap the President's daughter, Caroline, 3. The AP reported Apr. 2 that a Miami garment worker, a pro-Castro Cuban, had been overheard about 10 days before to have referred to a kidnap attempt. The remark was reported to a Puerto Rican Democratic Organization meeting in Miami Mar. 24 and to authorities the next day. Investigation began before Caroline and the President's 4-month-old son, John Fitzgerald Kennedy Jr., arrived with their mother, Jacqueline, in Palm Beach Mar. 27.

The President played golf every day of his vacation. Since Jan. 20 Mr. Kennedy had played twice at Chevy Chase Country Club near Washington and once at Burning Tree Club.

His partners in Florida matches, in addition to his father, Joseph P. Kennedy, and his brothers-in-law, Peter Lawford and Stephen E. Smith, included former British amateur champion Robert Sweeney, friends Earl E. T. Smith and Chris Dunphy, Baltimore Colts owner Carroll Rosenbloom and crooner Bing Crosby. Crosby said Apr. 4 that Pres. Kennedy "was about 5 over par" for the match, "but the best part of his game is the way he makes matches at the first tee."

Money Requested. Pres. Kennedy asked Congress Mar. 20 for about $500 million of supplemental appropriations.

The requests included: A $221 million net increase for the CCC for price-supports (an increase of $460 million partially offset by a $239 million cut for "special activities"); $100 million for the Rural Electrification Administration; $84 million for the Farmers Home Administration; $20 million to build schools for 5,000 Indian and Eskimo children; $11 million for the National Park Service; $11 million for the USIA to increase its African and Latin American activities; $1,305,000 to expand the State Department's programs in Africa, policy planning, the U.S. mission to the UN and for diplomatic emergencies (to be authorized from a requested $1,435,000 decrease in U.S. contributions to international agencies).

Other Kennedy requests for supplemental appropriations: Mar. 15—$325,000 for a study of the impact of automation on workers and the

economy. Mar. 24—$22,390,000 for a water-resources development program that included 19 new projects. Mar. 28—A $30,100,000 net increase to give the Atomic Energy Commission $26 million to build a linear accelerator at Stanford University, $60 million to convert a production reactor at Hanford, Wash., $5 million for nuclear rocket propulsion tests (Project Rover), $6 million to expand the gas-cooled civilian power reactor at Oak Ridge, Tenn., $7 million for a small atomic-power reactor in the Antarctic, $8 million for an experimental reactor for use in merchant-shipping. (Most of the total was offset by a $55,200,000 saving resulting from the proposed cancellation of the nuclear plane engine program and by a proposed $28,700,000 cut in other expenses.) Mar. 29—$97,501,000 for research on the oceans as a source of food, minerals and weather-control.

U.S. in OECD. Pres. Kennedy Mar. 23 signed the convention providing for U.S. membership in the Organization for Economic Cooperation & Development. [See p. 101D-F1]

Aviation Task Force. Presidential Press Secy. Pierre Salinger announced Mar. 3 that Pres. Kennedy had commissioned a special task force to produce "a realistic" survey of the expected problems that civil and military aviation would face by 1970. The study, to be called "Project Horizon," was to be directed by Frederick M. Glass, Empire Building Corp. executive. (The President chose Richard R. Hough of Cleveland Mar. 9 to head a task force to study the safe and efficient use of the U.S.' air space.) [See p. 14B-C1]

Diplomatic Appointments. Pres. Kennedy announced Mar. 29 his selection of José Teodoro Moscoso Mora Rodriguez, 50, of Puerto Rico, to be ambassador to Venezuela. Moscoso was a director of both the Puerto Rican Urban Renewal & Housing Corp. and of the Government Development Bank for Puerto Rico; since 1950, he had been Puerto Rico's administrator of the Economic Development Administration.

(P.R. Gov. Luis Muñoz Marín Mar. 30 appointed Rafael Durand Manzanal, 45, to succeed Moscoso as head of the EDA.)

Mr. Kennedy Mar. 23 designated career diplomat Joseph C. Satterthwaite, 61, Assistant State Secretary for African Affairs 1958-60, to be ambassador to the Union of South Africa. Satterthwaite had been ambassador to Ceylon and to Burma. [See Vol. XIX, p. 274C1]

Deputy Asst. State Secy. (for Near Eastern Affairs) Parker Thompson Hart, 50, was designated by the President Mar. 23 to be ambassador to Saudi Arabia. [See Vol. XIX, p. 383G3]

The retention of Henry A. Byroade as ambassador to Afghanistan was announced Mar. 23.

The President Mar. 27 chose Mrs. Edison Dick, 54, of Lake Forest, Ill. to be U.S. representative on the Social Commission of the UN Economic & Social Council.

Pres. Kennedy Mar. 29 designated Fulton Freeman, 46, to be ambassador to Colombia. Freeman had been a counselor in the U.S.' Brussels embassy for the past 2 years.

Asst. State Secy. (for Inter-American Affairs) Thomas C. Mann, 48, was designated by the President Mar. 30 to be ambassador to Mexico. Mann had been ambassador to El Salvador 1955-57. [See Vol. XX, p. 271F2]

Other Appointments. Pres. Kennedy announced Mar 22 his selection of Alaska's deputy commissioner of Fish & Game, Clarence F. Pautzke, 53, to be commissioner of the Interior Department's Fish & Game Wildlife Service.

William Larew Slayton, 44, was designated by the President Mar. 25 to be Urban Renewal Commissioner.

Lt. Gen. Guy S. Meloy Jr. was nominated by the President Mar. 24 for promotion to general. He was designated commanding general of the 8th Army and commander of U.S. forces in the UN Command in Korea on the retirement June 30 of Gen. Carter B. Magruder.

Other command shifts announced Mar. 24 (nominations for promotion in parentheses): Maj. Gen. Andrew P. McNamara (lieutenant general) to succeed Meloy as deputy 8th Army commander; Lt. Gen. John L. Ryan Jr. to be 6th Army commanding general succeeding retiring Lt. Gen. Robert M. Cannon; Maj. Gen. Hugh P. Harris (lieutenant general) to succeed Ryan as 1st Army Corps commander in Korea; Lt. Gen. Frederic J. Brown to be deputy commanding general for development of the Continental Army Command at Fort Monroe, Va. to succeed retiring Lt. Gen. Gordon B. Rogers; Maj. Gen. John K. Waters (lieutenant general) to replace Brown as 5th Army Corps commander in Germany.

Philip Nichols Jr., 53, a Washington attorney, was appointed Commissioner of Customs by Treasury Secy. Douglas Dillon Mar. 23.

Erle Cocke Sr., 65, was elected chairman of the Federal Deposit Insurance Corporation to succeed Jesse P. Wolcott, who remained a director (announced Jan. 22).

Thomas C. Sorensen, 35, brother of Presidential aide Theodore C. Sorensen, was appointed the USIA's deputy director for policy and plans (reported Mar. 2).

Interior Secy. Stewart L. Udall announced Mar. 28 the appointment of Daniel Burford Purvis of San Antonio, Tex. as Federal Petroleum Board chairman.

Atty. Gen. Robert F. Kennedy announced Feb. 1 the appointment of Edwyn Silberling, N.Y. County assistant district attorney 1951-57, as chief of the Organized Crime & Racketeering Section of the Justice Department's Criminal Division.

Louis J. Van Mol was appointed general manager of the TVA to succeed Aubrey J. Wagner (announced Mar. 9).

The President Mar. 29 appointed Labor Undersecy. W. Willard Wirtz as executive director of the President's Advisory Committee on Labor-Management Policy. Wirtz was to be succeeded in the post in one year by Commerce Undersecy. Edward Gudeman. [See p. 65C-E2]

Dillon S. Myer was named director of the Emergency Cuban Relief Program by HEW Secy. Abraham A. Ribicoff Feb. 1. [See p. 47D2]

Mrs. John F. Kennedy Mar. 29 appointed Mrs. John N. Pearce, 26, to a newly created position of curator of the White House. Mrs. Pearce was to work part-time on loan from the Smithsonian Institution, where she was registrar-historian. She was to catalogue items in the White House and those to be acquired by a Fine Arts Committee recently established by the President's wife. (The President was using in his office a desk discovered by Mrs. Kennedy in the broadcast room of the White House. The desk, a gift from Queen Victoria to the American people, had been made from timbers of the British frigate Resolute. Mrs. Woodrow Wilson told Mrs. Kennedy at lunch Mar. 27 that her husband had used the desk while he was President.)

Foreign Dignitaries Greeted. Swedish Premier Tage Erlander lunched with Pres. Kennedy Mar. 29. (Erlander, in a talk to the National Press Club Apr. 3, cautioned the U.S. against cutting imports.) The Aga Khan, leader of Ismaili tribes in eastern Africa, Pakistan, southeast Asia and Afghanistan, met with the President in Washington Mar. 14. The President Mar. 22 accepted the credentials of the first Gabonese ambassador to the U.S., Joseph N'goua.

Fitness Program. Pres. Kennedy Mar. 23 named Charles B. (Bud) Wilkinson, University of Oklahoma football coach and athletic director, as a special consultant on youth fitness to develop a national fitness program. Wilkinson would serve without pay. The President and Atty. Gen. Robert Kennedy had opened a campaign for U.S. physical fitness at a conference in Washington Feb. 21.

Congress

John Birch Unit in Dispute. A controversy over the ultra-conservative John Birch Society erupted in Congress after it was revealed that the society's founder and leader had said ex-Pres. Eisenhower and other high government officials were agents or dupes of the Communist conspiracy.

The charges had been made in a letter written in 1955 by Robert Henry Winborne Welch Jr., 61, a retired candy manufacturer of Belmont, Mass. The letter was circulated among his friends and eventually expanded by Welch into an 80,000-word work called "The Politician." In it, Welch accused Eisenhower of being "a dedicated, conscious agent of the Communist conspiracy." The book also said: Ex-Presidents Truman and Roosevelt, the late State Secy. John Foster Dulles and CIA Director Allan W. Dulles were "tools of communism"; "the chances are very strong that Milton Eisenhower is actually Dwight Eisenhower's superior boss within the Communist Party."

Welch and 11 associates had founded the John Birch Society in 1958 to fight communism by using communism's techniques—organization of "front" groups, infiltration of other groups and letter-writing campaigns. Welch said 50 letter-writting campaigns had been conducted by Mar. 1961; the most effective—600,000 letters or post cards—opposed the 2d summit conference. The society based in Belmont, had an estimated 100,000 members in from one to 100 chapters in each of 34 states and Washington. Its membership lists were not made public, but it was reported to have its strongest influence in the southwest and in southern California.

Among the society's known objectives were the impeachment of U.S. Chief Justice Earl Warren, opposition to the UN, to NATO, to the National Council of Churches and to the World Council of Churches, repeal of the income tax law, and an end to foreign aid programs and to cultural or other exchanges with the Soviet Union. It supported the work of the House Un-American Activities Committee and currently was promoting a pro-committee film, "Operation Abolition," a controversial presentation of student demonstrations against the committee's hearings in San Francisco in May 1960.

The society was named after a Fundamentalist Baptist missionary from Georgia, Capt. John Morrison Birch, who had served as an intelligence officer in China during World War II and was killed by Chinese Reds Aug. 25, 1945, when he was 27, 10 days after V-J day. The society considered him the first casualty of the cold war.

Sen. Milton R. Young (R., N.D.) told the Senate Mar. 8 of his concern about the group's "spreading influence." He said its Eisenhower accusations went "far beyond anything the late Sen. Joe McCarthy ever thought of." Senate Democratic leader Mike Mansfield also criticized the society.

Rep. L. Mendel Rivers (D., S.C.), in a House speech Mar. 22, called Warren an "inept poseur" and defended the society. He named among its council members ex-NAM Pres. Cola G. Parker; ex-Notre Dame Law School dean Clarence Manion; Col. Lawrence E. Bunker, ex-aide to Gen. MacArthur; ex-Amb-to-Argentina Spruille Braden; ex-Internal Revenue Commissioner T. Coleman Andrews.

(NAM Executive Vice Pres. Charles R. Sligh Jr. said Mar. 31 that the NAM had no connection with the society "and never will.")

Rep. Edgar A. Hiestand (R., Calif.), at a news conference Mar. 31, admitted his membership in the society. He said: "I don't endorse everything the society stands for, but the big

98% of its program is intense patriotism and anti-communism." He said Rep. John H. Rousselot (R., Calif.) also was a member. Rousselot said afterwards that he was "proud" of his membership, that he knew of 2 other Congressmen who were members and believed there were more.

Sens. Thomas J. Dodd (D., Conn.) and Thomas H. Kuchel (R., Calif.), in Senate speeches Mar. 30, urged an investigation of the society. Kuchel said it was "fantastic and incredible libel" to accuse Eisenhower of being a "card-carrying Communist."

Welch held a news conference in Belmont Mar. 31 and denied calling Eisenhower a "card-carrying Communist." He said many statements attributed to him were "equally false or distorted." In a telegram Apr. 1, he asked for an investigation by the Senate Internal Security Subcommittee, which already had described the society as a "patriotic organization."

Rep. Henry S. Reuss (D., Wis.), who said his office was being flooded with mimeographed letters demanding Warren's ouster, proposed Mar. 30 that the House Un-American Activities Committee investigate the society. Chrmn. Francis E. Walter (D., Pa.) said that he doubted his committee had jurisdiction but that he had ordered a preliminary staff inquiry.

The Justice Department announced Mar. 31 that "a growing number of inquiries" about the society had "made it a matter of concern to the Attorney General."

House Votes Needy-Area Aid. The House Mar. 29 passed and sent back to the Senate by a 250-167 vote (207 D. & 43 R. vs. 125 R. & 42 D.) an amended bill (S1) to provide $394 million worth of loans and grants for redevelopment of economically depressed areas. The major difference between the Senate and House bills was a House provision for financing the loans by regular Congressional appropriations. The Senate proposed direct Treasury financing.

The House debate focused mainly on S1's provision for a $100 million loan fund for rural depressed areas. Rep. William B. Widnall (R., N.J.) Mar. 29 offered an amendment to substitute for S1 the provisions of a Republican-backed bill (HR5943) to provide $275 million in aid, of which only $500,000 was to be for a study to develop a program for rural depressed areas. The Widnall amendment was defeated, by a 242-139 teller-vote and a 291-125 roll-call vote, with no Democrats in opposition. [See p. 100B-E3]

Housing Bill Submitted. The Administration's $3.2 billion omnibus housing bill was sent to Congress by Pres. Kennedy Mar. 29 and promptly introduced in the Senate by Sen. John J. Sparkman (D., Ala.), Housing Subcommittee chairman. One of the bill's provisions would allow the FHA to insure for 25 years at 6% maximum interest loans up to $10,000 for home improvement. [See pp. 91C3-92F1]

Sugar Act Extended. A compromise bill (HR5463) extending the Sugar Act until June 30, 1962 was approved by both houses of Congress Mar. 29 and signed by the President Mar. 31. [See p. 101F-G1]

House Staff Payroll Raised. The House by voice vote Mar. 15 raised the basic office payroll allowance of each member by $3,000 to a total of $20,500. A $14,345.47 top gross salary limit for any employe was retained. [See Vol. XIX, p. 282A-C2]

Eisenhower Rank Restored. A bill (S1173) to restore the 5-star rank of General of the Army to ex-Pres. Eisenhower was passed by voice votes of the Senate Mar. 7 and House Mar. 14 and signed by Pres. Kennedy Mar. 22.

Gen. Eisenhower was not to receive the military pension but was to continue to get his Presidential pension of $25,000 annually plus $50,000 for office expenses. He and his wife were entitled to military hospitalization benefits and space-available transportation. [See Vol. XII, p. 225F1]

Easter Recess. The House of Representatives recessed Mar. 30 until Apr. 10 for the Easter holidays. The Senate scheduled token meetings for Apr. 3 and 6 but planned no votes at them.

Other U.S. News

23d Amendment Ratified. Citizens of the District of Columbia were granted the right to vote in Presidential elections when Kansas Mar. 29 became the 34th state to ratify the 23d Amendment. Kansas, celebrating the centennial of its admission to the Union, acted only 42 minutes before ratification by Ohio.

The amendment, which also entitled the capital to 3 Electoral College members, was approved 286 days after its submission to the states.

Arkansas was the only state to reject the amendment and Tennessee the only Southern state to approve it. [See p. 104E1; Vol. XX, p. 229D1]

Mrs. Flynn Heads Reds. Mrs. Elizabeth Gurley Flynn, 70, veteran Communist agitator, was chosen in New York Mar. 13 to be national chairman of the U.S. Communist Party. She succeeded the late Eugene Dennis. Mrs. Flynn, the first woman to hold the post, said Mar. 14 that the CP had about 10,000 dues-paying members. This level, she said, was "lower than its highest point and higher than its lowest point." [See p. 59E3]

Wide World
MRS. FLYNN

U.S. Releases Melekh. Espionage charges against Russian UN employe Igor Yakovlevich Melekh were dismissed by U.S. District Judge Edwin A. Robson in Chicago Mar. 24 on the request of Atty. Gen. Robert F. Kennedy. The dismissal was on condition that Melekh return to Russia.

The State Department revealed Mar. 24 that State Secy. Dean Rusk had urged the Attorney General, in a letter Mar. 21, to release Melekh as a move toward "improving our position as regards the protection" of U.S. citizens in Russia.

Robson Mar. 20 had ordered Melekh and his alleged co-conspirator, Willie Hirsch, to stand trial in Chicago May 15. Robson, in dismissing Melekh's charges, also dismissed Hirsch's. He said the Attorney General apparently had overlooked Hirsch and that the case against Hirsch would not stand up after Melekh's dismissal. [See Vol. XX, p. 459E2]

Tuskegee Vote Ban Invalid. An Alabama state law that virtually disenfranchised Tuskegee Negroes by shifting the Tuskegee city boundaries was ruled unconstitutional by U.S. District Judge Frank M. Johnson Jr. in Montgomery, Ala. Feb. 17. Johnson issued an order prohibiting city and county officials from enforcing the law. The case had been returned to the district court after the Supreme Court had ruled in 1960 that the boundary shift was unconstitutional if its effect was to eliminate Negro voters. [See Vol. XX, p. 401G1-A2]

Louisiana Segregation Laws. 8 segregation bills were passed by the Louisiana Legislature Feb. 19 and signed by Gov. Jimmie H. Davis Feb. 20. Among the bills' provisions: authorization of local elections on the closing of schools that had been ordered to integrate; use of surplus welfare funds for aid grants for pupils who enrolled in private schools after their public schools had been ordered to integrate. [See p. 46D-G2]

Bias Shifts Centennial Site. Maj. Gen. Ulysses S. Grant 3d, chairman of the National Civil War Centennial Commission, announced Mar. 25 that the meeting place of the commission's 4th national assembly, to be held in Charleston, S.C. Apr. 11-12, had been shifted to the Charleston Naval Station to avoid segregated hotels in Charleston. The change was made after the commission's New Jersey unit had voted Mar. 9 to boycott the meeting and after Pres. Kennedy, an ex officio member of the commission, had written to Grant Mar. 15 to protest.

Mr. Kennedy's Mar. 15 protest had been rejected initially Mar. 21 when the commission replied that it had no right to "dictate" to "motel-keepers as to the management of their property." The President told reporters Mar. 23 that "we cannot leave the situation as it is." Withdrawals from the assembly were announced by centennial units of New York, Illinois and California Mar. 23 and of Massachusetts Mar. 24. The capitulation was announced Mar. 25 although Rep. William M. Tuck (D., Va.), chairman of the commission's executive committee, said Mar. 26 that "I do not acquiesce" in the shift. The New Jersey unit reversed its withdrawal decision Mar. 28. [See Vol. XX, p. 457C3]

Top Defense Contractors. Congressional Quarterly reported Mar. 20 that the 100 biggest U.S. defense contractors had received contract awards totaling $15,410,400,000 for the period July 1959-June 1960. This was 73.4% of the $20.995 billion in military contracts awarded in the period.

Companies whose July 1959-June 1960 defense contracts amounted to at least 1% of the value of all defense contracts for the period (amount and percentages of the total in parentheses): General Dynamics Corp. ($1,260,200,000—6%); Lockheed Aircraft Corp. ($1,070,800,000—5.1%); Boeing Airplane Co. ($1,008,700,000—4.8%); General Electric Co. ($963,100,000—4.6%); North American Aviation, Inc. ($907,700,000—4.3%); Martin Co. ($596,700,000—2.8%); United Aircraft Corp. ($517,400,-

000—2.5%); American Telephone & Telegraph Co. ($466,800,000 [Western Electric Co. $452,200,000] —2.2%); Radio Corp. of America ($405,800,000—1.9%); Douglas Aircraft Co. ($404,900,000—1.9%); Hughes Aircraft Co. ($349,100,000—1.7%); Raytheon Co. ($323,400,000—1.5%); Sperry Rand Corp. ($296 million—1.4%); International Business Machines Corp. ($290 million—1.4%); Republic Aviation Corp. ($265,100,000—1.3%); Westinghouse Electric Corp. ($257,600,000—1.2%); General Tire & Rubber Co. ($243,200,000 [Aerojet-General Corp. $235,100,000]—1.2%); Bendix Corp. ($239,400,000 —1.1%); Grumman Aircraft Engineering Corp. ($239,300,000—1.1%); General Motors Corp. ($218,700,000—1%); Newport News Shipbuilding & Dry Dock Co. ($215,200,000—1%). [See Vol. XX, p. 378F2-A3]

Jan.-Feb. Strike Data. About 170 strikes involving 80,000 workers started in January, the Bureau of Labor Statistics reported Mar. 3. This was the lowest postwar number for January. 130 strikes involving 20,000 workers had continued from 1960. January strike idleness totaled 700,000 man-days.

The bureau reported Mar. 31 that strike idleness had risen in February to a total of about 850,000 man-days as a result of 210 strikes, involving 100,000 workers, that had begun in February and of an additional 120 strikes, involving 30,000 workers, that had continued from January. [See Vol. XX, p. 478B-E2]

FOREIGN

Canada

Unemployment Increases. The Canadian Bureau of Statistics reported Jan. 18 that unemployment in Canada had risen from 429,000 in mid-Nov. 1960 to a mid-December total of 528,000, or 8.2% of the 6,430,000-man labor force.

Lester B. Pearson, opposition Liberal Party leader, speaking in the House of Commons Jan. 20, criticized the government's supplemental budget as failing to cope with unemployment "in any adequate way." He said the government refused to recognize that there was an economic "emergency." [See Vol. XX, p. 460B1]

Ceylon

Tamil Dispute. Government troops were airlifted to the Tamil-speaking northern and eastern provinces of Ceylon Feb. 28-Mar. 1 to quell the Tamil Federal Party's non-violent civil disobedience (satyagraha) campaign against the government's Jan. 20 decision to establish Sinhalese as the country's only official language. The party's campaign had started in Jaffna Feb. 20 and spread to Batticaloa Feb. 27 and to Trincomalee Mar. 4. Government operations in Jaffna had been halted by a sitdown of demonstrators who barred civil servants from entering their offices. Police injured 10 satyagrahis in Trincomalee Mar. 4 by beating them with batons.

Ceylonese Prime Minister Mrs. Sirimavo Bandaranaike promised Mar. 4 to consider Tamil grievances if the Federal Party called off its satyagraha campaign. [See p. 27D2]

Guinea

2 Utilities Nationalized. Guinean Pres. Sékou Touré announced Jan. 31 that the government had seized and nationalized 2 public utilities—the Societé d'Energie Electrique de Guinée (electric power company) and the Compagnie Africaine de Services Publiques of Conakry (water purification and distribution company). Touré said stockholders of the firms, owned jointly by the Guinean and French governments and private French companies, would be compensated. He said the utilities were seized because of their "intentionally poor performance."

USIA Center Closed. The Guinean government Mar. 9 ordered the closing of the U.S. Information Agency's cultural center in Conakry because it had decided that "foreign cultural centers will not be permitted to operate" in Guinea. [See Vol. XX, p. 402E2]

Iceland

UK Fishing Pact. A British-Icelandic agreement ending a long-standing fishing dispute was announced in London Feb. 27.

The pact, which went into effect Mar. 11, provided for: (a) British acceptance of Iceland's 12-mile fishing limit; (b) Icelandic permission for British ships to fish within 6 miles off Iceland during certain seasons for a 3-year period; (c) a 6-month Icelandic notice of any claims to extend the 12-mile limit; (d) Icelandic acceptance of World Court jurisdiction in the event Britain should submit the dispute to that body. [See Vol. XX, p. 402D3]

Japan

Atomic Energy Plan. The Japanese Atomic Energy Commission announced Feb. 8 a 20-year program to provide Japan with atomic-power plants with a 7 million-9½ million-kilowatt capacity. The program called for construction of an atomic-powered ship in 1968-70. [See Vol. XX, p. 290C3]

World Bank Loan. The World Bank Mar. 16 granted Japan a $12 million loan for electric generating facilities on Kyushu. [See Vol. XX, p. 171G3]

Record Budget. A record 1,952,776,000,000-yen ($5,424,377,000) balanced budget for 1961 (effective Apr. 1) was adopted Jan. 19 by Premier Hayato Ikeda's cabinet. It was nearly 24% higher than 1960's budget. Defense expenditures were budgeted at $493,760,000. [See Vol. XX, p. 18B2]

Ikeda for Red China Ties. Premier Ikeda, in a major policy speech, told the Diet Jan. 30 that "Japan welcomes any improvement of relations, particularly expansion of trade with" Red China. [See Vol. XX, p. 413D3]

(Ikeda's Liberal-Democratic Party, at its annual convention in Tokyo Jan. 27, adopted a resolution rejecting "ideological neutralism" for Japan.)

Akao Cleared. Bin Akao, 62, leader of the extreme rightwing Greater Japan Patriotic Society (Dai Nippon Aikokuto), was arrested in Tokyo Feb. 21 and charged with inciting Kazutaka Komori, 17, former member of Akao's group, who was accused of stabbing and wounding Kane Shimanaka, wife of publisher Hoji Shimanaka, Feb. 1 and of killing her maid. Tokyo District Court Judge Shigeto Iimori dismissed the charges against Akao Feb. 24 for insufficient evidence. Akao was under indictment in connection with the Oct. 12, 1960 assassination of Socialist Party Chrman. Inejiro Asanuma. [See Vol. XX, p. 413A3]

Kawakami Heads Socialists. Jotaro Kawakami, 72, was elected chairman of Japan's Socialist Party Mar. 8, the final day of the party's 3-day annual convention in Tokyo. He succeeded Inejiro Asanuma who had been assassinated Oct. 12, 1960. The Socialists approved a rightwing proposal for "structural reform of capitalism" that called for achieving socialistic aims through peaceful revolution. [See Vol. XX, p. 356E-F3]

Nationalist China

Guerrillas Leave Thailand. The Chinese Nationalist government Mar. 17 started to airlift an estimated 5,000 Chinese Nationalist guerrillas from Thailand. The first planeload of the repatriates, who had expressed a desire to leave, arrived in Formosa Mar. 18 from Chiengmai, Thailand. Among those to be evacuated was a force of 1,200 guerrillas that had crossed into Thailand from Laos Mar. 14. The guerrillas had fled from Burmese troops seeking to oust them from Burma. Originally they had escaped to Burma after the Communists had conquered China in 1949. Nationalist guerrillas remaining in Burma continued military operations. A guerrilla force, joined by Shan rebels, had captured a Shan State village Mar. 7. Burmese troops and planes attacked other nearby guerrilla-occupied villages. The Rangoon newspaper The Nation reported Mar. 11 that Chinese Nationalists had captured the town of Mang Sang in the Lashio District. [See p. 84B2]

Poland

Gomulka, Wyszynski Clash. Polish CP First Secy. Wladislaw Gomulka, in an opening campaign speech for the Apr. 16 parliamentary elections, told a Warsaw audience Mar. 18 that Polish Roman Catholic clerics "belonged to Poland with their bodies and to the Vatican with their souls." Denying that his government persecuted the church, Gomulka charged that the Polish church sought to further the Vatican's political aims by assuming a role of "persecution and martyrdom."

Stefan Cardinal Wyszynski, Roman Catholic primate of Poland, replied in a Warsaw church sermon Mar. 18 that "a political system can build streets . . . but it cannot administer in the same way the human conscience." In a Lenten church service in Warsaw Mar. 19, Wyszyinski accused the government of engaging in "a program of atheization . . ." designed "to free our youth from God."

(Wyszinski had warned Poland's 15,000 priests in a pastoral letter issued Jan. 12 and made public Mar. 3 to "prepare for the worst" in their struggle with the Polish government.)

A policy of government moderation in its dealings with the Polish Roman Catholic Church was decreed in a memorandum issued by the CP Mar. 29 and reported Apr. 3. The CP, however, reaffirmed such government policies as abolishing religion in public schools and censoring seminary libraries. The CP document accused foreign correspondents of distorting the meanings of Wyszynski's recent political statements. [See Vol. XX, p. 134D2]

Pax' Levies Increased. Gomulka was reported Feb. 11 to have informed Boleslaw Piasecki, founder of the Pax Association, a pro-Communist

Roman Catholic organization, that the government was abolishing tax concessions on profits of the group's 4 industrial enterprises, retroactive to Jan. 1.

5-Year Plan Goals Exceeded. The Polish Central Statistical Office reported Feb. 9 that industrial production during Poland's 5-year (1955-60) economic plan had increased by 58%, or 6.7% more than had been planned.

1960 production figures: raw steel—6,680,000 tons; hard coal—104,400,000 tons; electricity—28.2 billion kwh.; grain—14,200,000 tons. Farm output during the 1955-60 period had increased 20% but was below the anticipated figure. 1960 exports totaled $1.3 billion (16% higher than in 1959) and imports $1½ billion (6% higher than in 1959). [See Vol. XX, p. 340C2]

Saudi Arabia

U.S. to Lose Air Base. Saudi Arabia informed the U.S. that it would not renew the Dhahran air base agreement, it was disclosed Mar. 16. The agreement gave the U.S. a 5-year lease, expiring in Apr. 1962, that provided a base on the Persian Gulf at Dhahran for the U.S. Air Force's Military Air Transport Service and an air-sea rescue unit.

U.S. State Department spokesman Joseph W. Reap said in Washington Mar. 17 that the U.S. would continue to build at Dhahran a $5 million civil air terminal, already 70% complete. [See p. 87B1]

King Heads Council. King Saud Jan. 5 appointed himself head of a new 7-member Supreme Planning Council empowered to draft and carry out an economic development program. The other council members were the finance, economy, communications, petroleum, trade, agriculture and mineral resources ministers. [See Vol. XX, p. 480C-F3]

South Africa

28 Cleared of Treason. A 3-judge court in Pretoria Mar. 29 acquitted 28 persons charged with plotting to overthrow the government. All were opponents of the government's apartheid policy. Presiding Justice F. L. H. Rumpff ruled that there had been no proof that the banned African National Congress, to which several of the defendants had belonged, was Communist-infiltrated or had "adopted a policy to overthrow the state by violence." The defendants were 22 Africans, 2 whites, 3 Indians and one Colored. They were among 156 persons arrested Dec. 6, 1956 in a government crack-down against apartheid foes. 92 were indicted for high treason, but charges against 64 were dropped soon after the trial started Aug. 1, 1958. [See Vol. XIX, p. 130C3]

South Viet Nam

Red Rebels Fought. South Vietnamese troops Feb. 2 killed 34 Communist-led Viet Cong guerrilla rebels and captured 36 others in battles in the south and central parts of the country. 2 government soldiers were killed. Government forces Mar. 13 ambushed Communist guerrillas and several Communist officials crossing a river in a canoe about 20 miles north of Saigon; 12 guerrilla guards and 4 government soldiers were killed.

The N.Y. Times reported Mar. 16 that Viet Cong guerrillas had been killing an average of about 500 pro-government villagers a month. The guerrillas reportedly totaled 9,000 men. [See Vol. XX, p. 398C2]

Tibet

Dalai Lama Appeals to UN. The Dalai Lama, 25, issued an appeal from his exiled home in Dharmsala, India Mar. 9 for the UN General Assembly "to help restore the independence of [Chinese Communist-occupied] Tibet." He said he was drawing up a constitution that he planned to submit to exiled Tibetans in India and in other countries. [See Vol. XX, p. 414E3]

Panchen Lama Returns. The Panchen Lama, Communist China's puppet ruler of Tibet, returned to Lhasa, Tibet Feb. 13 after a 5-month visit to China. [See Vol. XIX, p. 320E1]

Uganda

Elections. The Roman Catholic-dominated Democratic Party won 43 seats in Uganda's 82-seat Legislative Council as more than 1,200,000 Ugandans voted Mar. 20-24 in the first country-wide election in the British protectorate's history. According to results announced Mar. 26, the Uganda People's Congress won 35 seats, Independents 2 and the Uganda National Congress 1. Election for the 82d seat was postponed following the death of a candidate. [See Vol. XX, p. 479A-C1]

— LATIN AMERICA —

U.S. Policy

End to Cuba-Red Link Urged. The U.S. government Apr. 3 called Premier Fidél Castro's Cuban regime "a Soviet satellite" and urged it "to sever its links with the international Communist movement." In a 36-page State Department document, written in the White House under the close supervision of Pres. Kennedy, the department called the Castro regime "a danger to the authentic and autonomous revolution of the Americas. . . ." It said it was "confident" Cubans would "continue to strive for a free Cuba. . . ."

Among points made in the U.S. document:

- The Castro revolution, which had overthrown the "Batista tyranny," was first regarded by the Americas "with sympathy." But the "social achievements" of the Cuban revolutionary regime had been "corrupt[ed]" by a "consistent betrayal of . . . Castro's pre-revolutionary [political] promises." The regime had become a "repressive dictatorship" marked by "disillusion, persecution, exile and execution" of persons who had supported Castro in his revolution but had "doomed themselves by trying to make his regime live up to his own promises" of freedom, justice and elections.
- The Communist Party was "the only political party permitted to operate in Cuba" while all other political opposition had been "extinguished." The CP or those "responsive to its influence" "dominated" all aspects of Cuban life. Communists high in political posts included Pres. Osvaldo Dorticós Torrado; Cuban CP Secretary Gen. Anibal Escalante, member of Raúl Castro's policy-making body; Dulce Maria Escalona Almeida, director of primary education; Culture Department director Vicentina Atuna.
- Cuba's "subservience" to "the world Communist bloc" had been marked by (a) "acceptance of the Soviet line on international affairs"; (b) acceptance of "Sino-Soviet arms, equipment, technicians and money"; (c) establishment of diplomatic relations with all Communist nations except East Germany and economic agreements with those countries. "Soviet military" aid had helped to make Cuba's armed force the largest in the Western Hemisphere, with the exception of the U.S.'
- Cuba had "become a base and staging area for revolutionary activity throughout" the Western Hemisphere. "Cuban influence" had been responsible for recent disturbances in such countries as Venezuela, El Salvador, Nicaragua and Paraguay.
- The U.S., admitting "past omissions and errors" in its relations with Cuba, was determined "to assure future democratic governments in Cuba full . . . support . . . to achieve freedom, democracy and social justice." [See p. 116C1; Vol. XX, 380E1]

— ECONOMY —

GE Executives Quit. The General Electric Co. announced Mar. 29 that the 15 GE officials sentenced for anti-trust violations had left the firm.

All had resigned, except W. E. Saupe, who retired at the end of 1960. A 16th, William H. Schiek, Philadelphia department manager whose sentence had been delayed because of his illness, said he would resign after receiving sentence. The others who had resigned: R. W. Smith, M. A. de Ferranti, W. S. Ginn, George E. Burens, Lewis J. Burger, G. L. Roark, J. W. Seamen, W. F. Oswalt, Clarence E. Burke, H. F. Hentschel, Frank E. Stehlik, Royce C. Crawford, Houston Jones, R. W. Ayres Jr. [See p. 107D2-A3]

Anti-Trust Cases. Atty. Gen. Robert F. Kennedy, in a letter to FTC Chrmn. Paul Rand Dixon Mar. 23, asked the FTC to investigate 56 major judgments since 1940 for compliance with FTC rulings. Kennedy acted under a Trade Commission Act of 1914 provision that made such investigation, at Justice Department request, an FTC "duty." He said the provision had been used only once (in 1952).

The FTC Mar. 21 charged Swift & Co. (Chicago) with illegal "inducements" to retailers to use its ice cream and frozen foods products. Similar charges against 9 other manufacturers, filed in 1954-55, had been dismissed in July 1959 by an FTC examiner for lack of proof, but FTC ruling on the dismissal still pended. The 9 firms: Carnation Co., Borden Co., National Dairy Products Corp., Beatrice Foods Co., Pet Milk Co., Fairmont Foods Co., Foremost Dairies, Inc., Arden Farms Co. and H. P. Hood & Sons, Inc.

Federal Judge Thomas F. Murphy in New York Mar. 8 found Pan American World Airways, Inc. guilty of restraining air trade between the U.S. and Latin America and ordered it to show cause why it should not divest itself of its 50% interest in Pan American-Grace Airways, Inc. (Panagra). Murphy simultaneously dismissed charges against the 2 defendants in the Justice Department's 1954 anti-trust suit against Pan American, W. R. Grace & Co. and Panagra. Panagra, formed in 1929 and wholly-owned by Pan American and Grace, operated between the Canal Zone and Buenos Aires. [See Vol. XIV, p. 14-A-B2]

A Justice Department suit was filed in U.S. District Court in Milwaukee, Wis. Mar. 2 to force the Bank Stock Corp. (Milwaukee) to divest itself of

its acquired stock control in the Bank of Commerce and Northern Bank, both of Milwaukee, and to enjoin it from such acquisitions in any other Milwaukee commercial bank without court approval. Bank Stock, organized Feb. 3, 1959 as a bank holding company, had acquired more than 80% of the Northern Bank's voting stock Dec. 2, 1959. Its acquisition of more than 80% of the Bank of Commerce's voting stock was approved by the FRB on Jan. 25, 1961.

The Justice Department sued in U.S. District Court in Philadelphia Feb. 25 to block the proposed merger of the Philadelphia National Bank, 2d largest bank in Philadelphia ($1,086,147,170 total assets June 30, 1960), and Girard Trust Corn Exchange Bank, 3d largest ($757,572,488 assets).

U.S. District Judge Richard Harshorne in Newark, N.J., acting upon a Justice Department motion, Mar. 6 dismissed a civil anti-trust complaint against Procter & Gamble Co., Colgate-Palmolive Co., Lever Brothers Co. and the Association of American Soap and Glycerine Producers, Inc. The suit, filed Dec. 11, 1952, alleged restraint of trade and monopoly in the household soap and synthetic detergent industry. The dismissal was based on the fact that the industry—and therefore the legal issue—had changed since 1952 with the shift from soaps to detergents. [See Vol. XII, p. 426B]

A federal grand jury in Jacksonville, Fla. Mar. 6 indicted the Ward Baking Co. (N.Y.), American Bakeries Co. (Chicago), Southern Bakeries Co. (Atlanta), Flowers Baking Co. (Thomasville, Ga.) and Derst Baking Co. (Savannah, Ga.) on charges of rigged bidding since Sept. 1957 in the sale of bakery goods to U.S. Naval installations in northern Florida and southeastern Georgia. The Navy bought 90% (about $11 million worth) of the baked goods sold in the Jacksonville area in 1959. Ward, American, Southern, Flowers, Fuchs Baking Co. (Homestead, Fla.) and Holsum Bakers, Inc. (Tampa, Fla.) were indicted separately Mar. 6 on charges of conspiracy to fix prices since Apr. 1960 in the wholesale distribution of bakery products to supermarkets, restaurants and grocery stores in Florida and southeastern Georgia.

Chance Vought Corp. (Dallas aircraft maker) filed suit in federal court in Dallas Jan. 27 to stop Ling-Temco Electronics, Inc. (Dallas), owner of 38% of Chance Vought stock, and its subsidiaries from gaining stock control. Ling-Temco Mar. 17 filed suit in Chancery Court in Wilmington, Del. to prohibit Chance Vought from issuing new shares of stock on the ground that the additional stock would prevent Ling-Temco from controlling Chance Vought. [See p. 59B1]

Stock Volume Peak. A record 1,334 stocks were traded on the N.Y. Stock Exchange Apr. 3 and sales totaled 6,470,000 shares, the largest one-day volume in 5½ years. [See p. 87C2]

SPORTS

Auto Racing. Phil Hill of Santa Monica, Calif. and Olivier Gendebien of Belgium, driving a Ferrari, won the 12-hour world championship endurance race in Sebring, Fla. Mar. 25. They shared $1,500 in prize money. [See Vol. XX, p. 108D1]

Marvin Panch, 35, of Daytona Beach, Fla., driving a 1960 Pontiac, won the $98,145 Daytona International 500-mile stock car race at Daytona Beach Feb. 26 in the world record time of 149.601 mph. He won $20,750. [See Vol. XX, p. 60C1]

Basketball. Providence (R.I.) College won the 24th annual National Invitation Tournament in New York Mar. 25 by a 62-59 finals victory over St. Louis University. Cincinnati won the NCAA championship in Kansas City Mar. 25 by a 70-65 finals victory over Ohio State. [See Vol. XX, p. 99G2]

Neil Johnston resigned Mar. 23 as Philadelphia Warriors' (NBA) coach. [See p. 32E2]

Golf. Gary Player won the $25,000 Sunshine open at Miami Beach Mar. 26, for $3,500. Arnold Palmer was 2d and won $2,300. [See p. 60B2]

Hockey. Canada's Smoke-Eaters clinched the world amateur ice hockey championship by defeating a USSR team, 5-1, in Geneva Mar. 12. Czechoslovakia was 2d, the USSR 3d, a U.S. team 6th.

NATIONAL HOCKEY LEAGUE

Final Standings Mar. 20

	Won	Lost	Tied	Pts.	Goals For	Goals Vs.
Montreal	41	19	10	92	254	188
Toronto	39	19	12	90	234	176
Chicago	29	24	17	75	198	180
Detroit	25	29	16	66	195	215
N.Y.	22	38	10	54	204	248
Boston	15	42	13	43	176	254

MISCELLANEOUS

Finch, Tregoff Guilty, Get Life. A Los Angeles jury Mar. 27 convicted Dr. R. Bernard Finch, 43, of first-degree murder and his mistress, Carole Tregoff, 24, of 2d-degree murder for the July 19, 1959 slaying of Finch's wife. Both were convicted simultaneously of conspiring to commit first-degree murder. The trial, their 3d (2 previous ones had resulted in hung juries), had started Jan. 3. The same jury Apr. 5 sentenced both to life terms in prison on the conspiracy conviction. Finch was given a 2d life term on his first-degree murder conviction, and Miss Tregoff received an additional 5-year term on her 2d-degree murder conviction. [See Vol. XX, p. 396C3]

Weger Convicted. Chester Otto Weger, 22, was sentenced to life in prison Mar. 3 after a jury in Ottawa, Ill. had convicted him the same day of the Mar. 16, 1960 slaying of Mrs. Lillian Oetting, 50, in Starved Rock State Park, Ill. Weger also faced trial on charges of slaying Mrs. Oetting's 2 companions at the park—Mrs. Francis Murphy, 47, and Mrs. Mildred Lindquist, 50. [See Vol. XX, p. 425B3]

Pope Brothers Fined. N.Y. Federal Judge Edward Weinfeld Mar. 29 fined Fortune and Anthony Pope $25,000 each and gave them one-year suspended jail sentences for violating the Securities & Exchange Act. The Pope brothers had pleaded guilty Feb. 28 to 5 counts of an indictment charging them with diverting for their own use at least $375,000 from the Colonial Sand & Stone Co., a Pope family-controlled firm of which Anthony was president and Fortune vice president. [See Vol. XX, p. 276D2]

Business & Financial Summary

Week Ended Apr. 1

FINANCE:	This Week	Last Week	Year Ago
U.S. Treasury—			
Monetary gold stocks	*$17,389	*$17,385	*$19,408
Currency circulation	*$31,775	*$31,887	*$31,534
Banks—			
Com'l & Ind'l loans§	*[a]$32,027	*$31,998	*$31,037
Agricultural loans	*[a]$1,092	*$1,092	*$893
N.Y. bank clearings	$14,745,372,900	$16,223,456,574	$12,994,771,136
N.Y. Stock Exchange—			
Stock sales (shares)	19,760,270	26,984,035	12,207,550
Stock avgs. (100 shares)**	248.86	248.42	224.03
Bond sales (par value)	$24,831,000	$39,187,500	$26,790,000
Bond avgs. (30 bonds)**	87.26	87.19	84.99
INDUSTRY:			
Auto output (cars & trucks)†	124,390	109,321	176,847
Crude oil (bbl. daily)	[b]7,366,060	7,353,160	7,077,810
Soft-coal output (tons)	[c]6,445,000	6,130,000	6,919,000
Electric output (kwh.)	*[b]14,291	*14,295	*14,062
Carloadings (cars)	[b]500,333	506,583	601,085
	Feb.	**Jan.**	**Feb. 1960**
Ind'l output§¶[e]	102	102	110
Steel output (tons)	6,239,098	6,416,004	11,126,806
PRICES:	**This Week**	**Last Week**	**Year Ago**
Wheat (bu.)	$2.37½	$2.40¼	$2.52⅞
Corn (bu.)	$1.36¾	$1.44⅛	$1.51
Cotton (lb.)	$.33½	$.33½	$.3410
Steel scrap avg. (ton)[f]	$39.17	$38.50	$33.17
Wholesale food index‡	[d]$6.03	$6.04	$5.92
Weekly whlsl. index (BLS)¶	[g]119.5	119.7	120.1
BUSINESS:			
Dept. stores sales§¶	[b]139	140	131
Failures (Mar. 23)‡	359	363	286

*In millions **N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet ¶1947-49=100 §Federal Reserve Board [a]Member banks, 107 cities, Mar. 22 [b]Mar. 25 [c]Mar. 18 [d]Mar. 28 [e]1957=100 [f]Iron Age [g]Mar. 31

Gold Stocks Up. N.Y. Federal Reserve Bank figures showed that the U.S. Treasury's gold stocks had risen by $5 million in the week ended Mar. 22. This was the first time U.S. government gold holdings had increased for 2 consecutive weeks since Jan.-Feb. 1958. Treasury gold stocks Mar. 22 totaled $17.389 billion. [See p. 107F2]

Savings Bond Interest Up. The Treasury Department announced Mar. 25 that the interest rate of U.S. government savings bonds Series E and H had been increased to 3¾% compounded semiannually and that their maturity date had been extended another 10 years. Bonds affected were those bought between May 1941 and May 1949. Their value totaled about $15 billion of the $43 billion outstanding in these series. Originally earning 2.9% if held by their owners to their 10-year maturity, the bonds earned 2.9%-3.47% during their first 10-year extension period. [See Vol. XIX, p. 304G2-D3; XI, 99K]

N.Y. World Trade Center Proposed. The Port of New York Authority, in a report to N.Y. Gov. Nelson A. Rockefeller, N.Y. Mayor Robert F. Wagner and N.J. Gov. Robert B. Meyner Mar. 11, recommended that a $355 million World Trade Center be built in lower Manhattan (N.Y. City). Construction would start in 1962, end in 1968. A package bill proposed by Rockefeller authorizing the Authority to take over the Hudson & Manhattan Railroad and to build the trade center was approved by the N.Y. Legislature Mar. 25 but opposed by Meyner and Wagner.

Prague-N.Y. Flights. Plans for direct weekly flights between Prague, Czechoslovakia and New York, beginning May 1, were announced Mar. 26 by Air India. These would be the first such flights between eastern Europe and the U.S. [See p. 76D2]